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ABOLITION  
OF THE  
BONUS SYSTEM  
IN THE  
INDIAN ARMY.

COMPILED BY  
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## P R E F A C E.

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THE object of this pamphlet is to show on what grounds the officers of the late Indian Army appeal for compensation for the loss of their contributions to regimental bonus funds, and for the value of their commissions on retirement, consequent upon the breaking up by Government of the Hon. East India Company's service, and the Amalgamation of the Indian Armies with the Royal Army; the scheme of the late Secretary of State for India, the Right Hon. Lord Cranborne, now Marquis of Salisbury, having failed to compensate them. The following are copies of documents which bear upon the subject.

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# ABOLITION

OF THE

# BONUS SYSTEM

IN THE

# INDIAN ARMY.

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*Extracts from a Despatch, dated 29th November, 1837, from  
the Court of Directors to the Government of India, and  
published, G.O.G.G., 2nd May, 1838.*

1. "Government consider that the practice which has for some time obtained, although now for the first time brought to notice, of inducing time-expired officers under the rank of Lt.-Colonel to retire from the service, *must conduce to the contentment of the officers and to the efficiency of the army.* . . . .
2. "We see no necessity for interfering with the arrangements which the junior officers of a regiment may make in individual cases for adding to the comforts of a senior officer on his retirement from the service upon the pension to which he may be entitled."
3. "The Regulation of 1793 requiring officers upon retirement to make oath that they have received no pecuniary consideration for quitting the service, has not been enforced by us in any single case of retirement in England during the period of nearly forty years which has since elapsed. . . .

East India  
Company per-  
mit subscrip-  
tions to regi-  
mental bonus  
funds.

We shall therefore continue to suspend the operation of the rule, and officers retiring from time to time will not be called upon to make the declaration unless the financial necessity to which we have referred, *and of which due notice shall be given*, shall at a future period be fully realized."

Such was the authorization by the East India Company of contributions to regimental bonus funds to enable senior officers to retire, and this right was "guaranteed by clauses in two Acts of Parliament.

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Transfer of the  
East India  
Company's  
armies to the  
Crown.

*On the Transfer of the Indian Government to the Crown, by Act 21 & 22 Vict., c. 106, s. 56, August 1858, taking place, the following guarantee formed part of the Act, and was repeated in Act 23 & 24 Vict., c. 100, 20 August, 1860, and is called Henley's Clause.*

Parliamentary  
guarantees.

"And be entitled to the like pay, pensions, allowances, and privileges, and the like advantages as regards promotion and otherwise, as if they had continued in the service of the said Company.

"And the advantages as to pay, pensions, *privileges*, promotion and otherwise . . . . shall be maintained in any plan for the re-organization of the Indian army."

But the transfer to the Crown was considered by several distinguished officers inexpedient and impolitic, and they recorded the following protests:—

*Protests of Members of Council against amalgamation.*

By Mr. WILLOUGHBY:—

Protests.

Claims to compensation to a large amount will probably be preferred by those who have expended large sums in purchasing out their seniors, in full confidence that they would be indemnified by their juniors on their retirement. *This system was as much sanctioned and recognized in India as the*

*purchase system in England.* I have known officers pay £1,000, £2,000, and £3,000, in this way, and now that the system is suddenly arrested by the change in our military policy in India, *those affected by it appear to me to have as good and valid a claim to consideration as the officers of the royal army would possess, were their system of purchase abruptly interfered with*; and the validity of their claim under the contingency supposed has been generally admitted."

By Colonel DURAND, now Sir HENRY DURAND, Member of the Council of India:—

The Bill in question does not sanction the obliteration of the vested rights of officers, *authoritatively sanctioned by the letter of the Court of Directors* No. 20, of the 14th February, 1837, and which for above sixty years have had free action. The hard-earned savings of many officers have been invested in purchasing out senior officers, with the reasonable *expectation* of profiting, in their turn, when they retired. To many, the obliteration of such vested *rights* must prove ruinous, and when not ruinous, it will deprive many officers and their families of a provision which they would have enjoyed but for the change now introduced by Government, —*without due notice promised (!!) to the Indian armies.*

Sir Henry  
Durand.

By Sir J. OUTRAM, Bart., G.C.B., Member of the Council of India:—

All in the service have been allowed *authoritatively* to make arrangements for purchasing out their seniors, and these arrangements, and the retiring funds which have been established in consequence, cannot *justly* be interfered with. Relying on this understanding, they have regularly subscribed to funds, the object of which is to accelerate promotion, by providing bonuses out of the common purse to officers willing to retire; and they have done so in the confident hope that when ill health or other considerations should lead to their own retirement, they would, as a matter of course, receive bonuses equal in amount to those paid to their predecessors.

Sir James  
Outram.

Will the regulations and whole machinery of the Line be altered to meet the *equitable* claims of these men? or will their funds be broken up, and all the prospective advantages for which they have monthly made *pecuniary sacrifices* be absolutely denied them?

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*Extract of Act of Amalgamation, 21 and 22 Vict., c. 106, s. 56, dated 2nd August, 1858.*

Guarantee.

"The military forces of the East India Company should be deemed the military forces of Her Majesty, and should be *entitled to the like pay, pensions, allowances, and privileges*, and the like advantages as regards promotion and otherwise, as if they had continued in the service of the said Company."

Lord DERBY, as Prime Minister, introducing the Bill, thus explained its meaning:—

"The Bill also provides, as far as it relates to individuals and bodies, that they shall have reserved to them all rights, *privileges*, and *expectations* which they were led to form at the time of their admission into the service."

Sir C. WOOD stated in the House of Commons in 1860:—

"*There will be no change in the position of the officers*, and to give them assurance of that, I am willing to accept the amendments of the right honorable gentleman the member for Oxfordshire (Mr. Henley), with respect to the *rights* and *privileges* of the officers and soldiers of the local army of India."

Bonus system  
now destroyed.

With reference to par. 1 of the Court of Directors' Despatch, dated 29th November, 1837 (*see* page 1): The establishment of the staff corps gave officers transferred to it promotion independent of regimental promotion. The bonus system was destroyed by this act of the Government, in violation of the Parliamentary guarantees; and the officers under the rank of Lieutenant-Colonel, who had subscribed to the regimental retiring fund, had their contributions confiscated.

The wrong thus inflicted occasioned great agitation in the

Indian army, and above seven hundred officers addressed petitions to Parliament for redress ; in consequence, on the 2nd May, 1865, the House of Commons passed the following address to the Queen, by a majority of thirteen :—

“That a humble address be presented to Her Majesty, praying that she will be graciously pleased to redress all such grievances complained of by the officers of the Indian army as were admitted by the Commission on the Memorials of Indian Officers to have arisen by a departure from the assurance given by Parliament, by the Acts 21 and 22 Vict., c. 106 ; and 23 and 24, c. 100.”

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*In seconding the motion of Major Jervis for the above address to the Queen, Colonel Sykes, M.P. (late member of the Court of Directors for 19 years, and an officer in the late Indian army), used the following language :—*

“But a privilege which to the Indian officer was of vital importance was that of the regimental bonus, *twice officially sanctioned by the Court of Directors and the Board of Control, and consequently by the British Government, in May, 1838.* . . . . Its abolition presses with disastrous severity upon all officers. . . . . It is the practical confiscation of all their contributions to regimental retiring funds, to assure a bonus to retiring officers, and to themselves when they retire. The Royal Commission on the *evidence afforded to it from the India Office*, concurred in the opinion of the Secretary of State for India that all such contributions were illegal, upon the supposed operation of Act George III. against sale of offices ; but that Act applied to a Government office-bearer selling his appointment to another in a personal transaction. The operation of the regimental retiring funds had no analogy to such a state of things. An old and senior officer in a regiment, as I have



Colonel Sykes: already stated, with his health broken down, and incumbered with a growing-up family, cannot retire upon the pension to which he is entitled, because it is insufficient for the support of himself and family in Europe, but he says to his regiment, ‘If you choose to repay to me *the sums I have myself contributed to the regimental fund, and the value of my present position*, I will make way for the advancement of my juniors. The contribution was made by the body of officers, and the Major or Lieutenant-Colonel retired, and *this was literally in the interest of the public service*, for otherwise a broken-down and inefficient officer would have been compelled to drag out a miserable existence in India. . . . The importance of the bonus to the retiring officer and his family is shown by the amounts paid. In the officer’s ‘case’ at page 11, it is stated that Major-General Pears, now Military Secretary at the India Office, received £6,000 from his regiment on retirement. . . . It is most ungenerous, therefore, in the Secretary of State for India, to take advantage of a *supposed legal impediment, and a decision in the Queen’s Bench which was inapplicable to the bonus system of the Indian armies*, to confiscate all the contributions of present officers, and all advantages which they had a right to derive from these contributions.”

Lord Cran-  
borne.

Consequent upon the resolution of the House of Commons, Lord CRANBORNE, in his speech to the House, 6th August, 1866, used the following language:—

But, putting the guarantee aside, I think it is clear that if your servants have been *largely damnified by any sudden or unexpected acts of yours, the principle that ought to be observed in every branch of the public service is, that we ought to do something to compensate them*; and assuredly if there is any branch to which we should desire to apply this principle, it is to those who risk their lives in our defence. Viewing the matter in that light, and not in the least questioning, or attempting to reverse, the decision of former governments,

we still thought it our duty to attempt in some way to meet the complaints of officers on this head. Now, the House will observe, that the subscription of a bonus had for its immediate object to get a step of rank ; that step carried with it increased pay ; therefore, the object of that subscription was to a certain extent obtained.

The officer got his advance in rank, and of course increased pay, earlier through the subscription than otherwise.

If he did not purchase out his superior officer, he would remain longer in his inferior grade ; therefore, I say, the Indian officer has already got to a certain extent compensation for his subscription. We have no intention to pay that over again, but our proposal is this :—We understand it is stated by several officers that they have not received full compensation in that way, that they paid a very much larger sum than they had any immediate chance of receiving, in the hope that when they came to retire, they would receive compensation from the subscriptions of their junior officers. Our proposal is, that in each presidency a committee shall be appointed, which, as soon as an officer retires, shall enquire into his case, in order to ascertain *how much money he is really out of pocket in payments to officers who have retired, and the loss, whatever it may be, the Government propose to make good to him.*

AN HONORABLE MEMBER.—With interest ?

LORD CRANBORNE.—No, not with interest ; considering the enormous stimulus to promotion that has taken place, the many advantages that officers have received, and that you in practice never give compensation to public servants for the whole of their loss, we think that *interest on neither side should be allowed, either for or against the officer.* The House, and especially those members who take an interest in Indian matters, may wish to know what this operation is likely to cost. We have had it calculated by General Hannington, a very competent authority on such a subject, and his view

of the matter is, that it will cost about £8,000 for twenty years.

Lord CRANBORNE then issued the following despatch:—

Military, No. 160. India Office, London, August 8, 1866.

*To H. E. the Right Hon. the Governor-General of India in Council.*

Lord Cran-  
borne's des-  
patch.

SIR,—Para. 1. By my despatch, No. 159, of this day's date, your Excellency was informed that it was my intention to address you in a separate despatch, on the subject of representations made by many officers of the Indian army respecting their claim to compensation for the loss of money contributed by them, prior to the reorganization of that army, towards their regimental retiring funds.

2. I find that since the year 1837, when the Court of Directors suspended the operation of an order prohibiting such proceedings, many officers of the Indian army have been in the habit of contributing from time to time sums of money towards the purchase of the retirements of their regimental seniors, for which sums they hoped to receive an equivalent, either in the shape of actual promotion, immediate or prospective, or by the receipt of a similar contribution in the event of their own retirement from the service.

3. This practice, though not in every branch of the service wholly discontinued, has, it is alleged, been virtually put a stop to by the measures connected with the formation of the several Staff Corps, and the reorganization of the Indian army.

4. In a petition addressed to the House of Commons by Brevet Major Sweet, of the Madras Native Infantry, and ordered to be printed, it is stated as follows, alluding to a general order by the Government of India, dated the 2nd May, 1838:—

“On the faith of this general order, your petitioner has invested large sums of money at different times, borrowed



often at a very high rate of interest, in assisting his seniors to retire, in the sure and certain hope that in his turn to retire from the service he would receive it back again."

And in the same petition, in allusion to the appointment of certain of his brother officers to the Staff Corps:—

"The consequence of which is that your petitioner is not only deprived of that promotion to which he is entitled in accordance with the rules regulating promotions in the Indian army, and guaranteed to him by Act 21 and 22 Vict., cap. 106, and 23 and 24 Vict., cap. 100, but he also loses all the money that he has expended at different times in assisting his seniors through his regimental bonus fund."

5. It appears from the report of the proceedings of Parliament that numerous petitions from officers of the Indian army, similar in substance to that from Major Sweet, have been presented to the House during the present session.

6. That the late Court of Directors should have withdrawn a prohibition which formerly existed to the practice of purchasing the retirement of officers cannot, in the opinion of Her Majesty's Government, be admitted to establish a claim to compensation under the Parliamentary guarantee, on the plea that changes in the organization of the army have operated to interfere with the continuance of a practice of this purely private and permissive character.

7. Upon this point the decision of Lord Cranworth's Commission, formed after very careful consideration of the subject, must be considered as conclusive.

8. That commission reported upon the subject in the following terms:—

"But it is impossible to understand the Parliamentary guarantee to extend to this case. The privileges and advantages which Parliament undertook should be preserved to the army under the Crown as they had existed under the East India Company, were privileges and advantages existing between the Company on the one hand and the army on

Lord Cran-  
borne's des-  
patch.

the other. The Company was no otherwise a party to this system of giving a bonus on retirement than as they may be considered to have given an express assurance that they would not interfere to prevent it, unless under circumstances of financial pressure, and with due notice. All that could be asked of the Crown is to assume the same passive state which had existed on the part of the Company. But the system being illegal, it is impossible to understand Parliament as having meant to guarantee the continuance of a practice which is contrary to law."

10. It was stated, however, in my despatch of this date, No. 159, that "Her Majesty's Government are unwilling to leave the officers generally any ground of complaint which they can consistently with their duty remove." They have, therefore, resolved upon authorizing your Government to investigate the claims of officers on the above account.

11. With this view, the following course will be adopted:—

A committee will be formed at each presidency, for the purpose of investigating and reporting upon claims of this nature on the part of officers borne on the strength of the Indian army on February 18th, 1861.

12. An officer proposing to retire from the service, or having retired since February 18th, 1861, and being below the rank noted below\* at the time of retirement, will submit his claims to compensation for the loss of sums subscribed for the purpose of assisting his seniors to retire, through the usual channel, to the Government of this presidency, by whom they will be referred to the above committee. He will submit, at the same time, a declaration, upon honour, as to the sum of money, if any, that he has received, or expects to receive, from the officers of his cadre on retirement.

13. It will be the duty of the committee to ascertain, with all possible accuracy, the following circumstances:—

\* If in the artillery or engineers, below the rank of colonel commandant. If in the cavalry or infantry, below the rank of regimental lieutenant-colonel.

1st. The number of retirements among his brother officers to the purchase of which the officer had contributed up to February 18th, 1861. This will, of course, not include arrangements which may have been made with officers transferred to the invalid establishment.

Lord Cranborne's despatch.

2nd. The amount ascertained to have been actually paid in each case by the officer in question to the retiring officer.

14. These facts may be gathered from the statement of the officer himself, supported by such proof as the committee may consider sufficient; but it will be competent for your Government, in communication with those of Madras and Bombay, to lay down any general rules that you may think fit for the guidance of these committees.

15. The above sums will be placed to the credit of the officer in each case.

16. On the other hand, the committee will estimate the value in money of the advance in rank or position which accrued to the officer from the above arrangements, and will debit him therewith.

17. The balance, reduced by the sum, if any, which he may receive from the officers of his cadre on his retirement, and, in the cases of officers who have already retired, by the value of any special annuity that may have been granted to them in addition to the regulated pension, will be paid to the officer on his resignation of the service appearing in orders, provided, in the case of the cavalry, infantry, and Staff Corps, such retirement or resignation takes place before he attains the rank of regimental lieutenant-colonel, and, if in the artillery or engineers, before he attains the rank of colonel commandant.

18. Special periodical reports of the sums so paid will be made to Her Majesty's Government.—I have, &c.,

(Signed)

CRANBORNE.

*Extract from G.O.G.G., Fort William, 25th February, 1867, consequent on Lord Cranborne's Despatch.*

Proof of payments by officers.

It will rest with officers claiming compensation to afford reasonable proof, supported by a declaration on honour, of the amount thus paid, which will be credited to them in full, subject to a deduction equal to the amount a retired or retiring officer may have received, or may bonâ fide expect to receive, from the juniors of his regiment or cadre, or from his regimental retiring fund, and *also the estimated money value of any special annuity a retiring officer may have received in addition to his regulated pension.*

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*Despatch of the Government of India, subsequent to Lord Cranborne's Despatch.*

COMPENSATION FOR LOSSES. RETIRING FUND.

Rules for fixing compensation.

June 7, 1867.—No. 607.—In general order No. 212, dated February 25, rules were laid down for the grant of compensation for loss of sums subscribed by officers of the late Indian army for the purpose of assisting their seniors to retire.

2. These rules were issued under the authority of Lord Cranborne's despatch, No. 160, of August 8, 1866, published in general order No. 808, of September 26, last; but, inasmuch as it appeared to the Government of India that a literal adherence to the terms of paragraphs 12 to 17 of that despatch would be contrary to the spirit of the despatch, and in fact lead, save in very rare cases, to no payments at all, a departure from the precise letter of the instructions was decided on, and without going into minute and often almost impracticable investigations as to all the payments made by officers in each rank and grade, and as to the benefit received in consequence of those payments, *the Government settled to pay in full whatever sum an officer had disbursed towards the*



*purchase of steps in the rank he held on February 13, 1861,* Rules for  
 subject only to the deductions ordered in paragraphs 13 and fixing compen-  
 17 of Lord Cranborne's despatch No. 160, of August 8, 1866. sation.

3. The Government of India was advised that "It was more to the interests of the officers concerned to give them the full benefit of any sums they may have paid in the grade they held at the date of reorganization, than to investigate the claim of each from the date of his entering into the service, and accord him the balance in his favour on the general account; and that 'a very few could submit the requisite details or substantiate their claims;' and, further, that 'it is believed that of those few a very small percentage would be able to show any balance in their favour.'"

4. The Government of India acted on this view in the general order of February 25 last, in the sixth paragraph of which the terms on which payment was to be made were laid down; but it was also notified, in the same paragraph, that "very exceptional cases (in which, in fact, a claim might not be met by the rule then laid down) would be specially considered."

5. Copy of a despatch from the Secretary of State for India, No. 124 of May 2, 1867, is published for general information, from which it will be seen that Her Majesty's Government, while not objecting to the rule laid down in paragraph 6 of the general order, by which an actual payment can, under certain circumstances, be received by an officer without reference to advantages gained, still desire that the payments in previous grades may be also calculated, as well as the advantages gained by such payments.

6. In pursuance of these orders, the payments due under paragraph 6 of the general order *will still be made in full*, irrespective of any account of the sums paid in ranks below that which an officer held on the 18th February, 1861.

7. At the same time each officer's claim on account of payments made while in a lower rank will be investigated, and if

Rules for  
fixing compen-  
sation.

a balance appears in his favour after the deductions made in paragraphs 13 and 17 of the despatch of August 8, No. 160, it will be credited to him; but in no case will any debit that may appear against him in consequence of such investigation be deducted from a payment due under the preceding paragraph.

8. The burden of proof of payment must, in each case, rest with the officer preferring a claim; and it will remain with the committee already appointed in each presidency to decide on the sufficiency of the evidence brought forward by officers as to the different payments they may have made for the purpose of assisting their seniors to retire; and, to carry out the provisions of paragraph 7 of this order, the money gained by each step so purchased will be debited against the sums proved to have been paid in ranks lower than that held on February 18, 1861.

For instance, a lieutenant who purchased one step, and by this became a captain ten months earlier than he otherwise would have attained the rank, will be debited with a sum equal to ten months' difference of pay between lieutenant and captain; while an officer who had aided in purchasing three steps while in the rank of lieutenant, and thereby became a captain three years earlier, would have to be debited with three years' difference of pay between lieutenant and captain.

9. In making these calculations *the committee will not take into account any deaths of officers subsequent to retirement as affording a claim to a credit, on the ground that the purchase of the step had not produced the full benefit anticipated*, but will simply estimate the money value of each step purchased, according to the earlier promotion *to the next higher rank* thus gained.

10. No sums paid to officers transferred to the invalid establishment can, under the orders of the Secretary of State, be credited to an officer under any circumstances; and in all

cases deductions from sums due under paragraphs 6 or 7 of this order, must be made to the extent of any amount the retired or retiring officer may have received, or may receive, from the juniors of his regiment or cadre, or from his regimental retiring fund, and also on account of the value of any special annuity a retired officer may have received in addition to his regulated pension. . . .

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*Extracts from Report of the Royal Commission, 1863, on the grievances of Indian officers, showing the reason why the extra pension was given.*

Par. 54.—As regards the “complaint” as to the course pursued by Government to encourage retirement from among the senior officers of the cavalry and infantry, in consequence of the very large reductions in the number of the native regiments, there were a number of *Lt.-Colonels and Majors for whom it was impossible to find employment*. These officers would in ordinary course reach to the rank of full Colonel, and so become entitled to Colonels’ allowances. It was considered that by offering them an addition to the pension on which by their length of service they were entitled to retire, they might be induced to retire, and so that a considerable boon would be conferred on the officers who should remain. A scale was therefore framed, fixing the sum to be offered to field officers below the rank of Colonel, *as an inducement to them to retire*. The amount varied according to the standing of those to whom it was to be offered, and *to officers who were of a standing which made it likely that by remaining in the service they would soon become full Colonels, an additional pension was offered, amounting to £550 per annum*; to those further removed the sum was less, descending as low as £200 per annum; and if as many as 300 officers should not accept these terms, they were to be offered to Captains of twenty-five years’ standing and upwards.”

Reason why  
extra pensions  
were offered.

And speaking again of the reductions of the Indian army, —“The extra pensions, then, may be taken as one of the means devised for the purpose of alleviating the pressure of these reductions.”

Extra pensions  
not given in  
lieu of bonus,  
but to diminish  
the number of  
field officers.

The bonus system being declared at this time illegal by Sir C. Wood, contrary to fact, did not come within the enquiry of the Commission; therefore, the extra pensions could not have been given in lieu of the bonus, because such extra pensions were given also to those officers who were not entitled to a regimental bonus.

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India Office, 12 August, 1861.

Unemployed  
field officers.

In G.O.G.G. para. 63, dated 10th of April last, it was stated:—“That the position and claims of field officers of the Indian armies, *now unemployed or for whom it may be difficult to find suitable employment* under the new system, were under consideration.”

Practical denial  
of justice.

The result of these despatches, orders, and instructions, has been to deprive all officers who are now in the service, or who have retired, whether *with or without an extra pension*, of their rights, as contributors to their retiring bonus fund, and they have not *only lost all their contributions, but the ultimate benefit they paid them to secure*; the decision of the Committees having been, by the numerous unjustifiable deductions they have made from the *actual contributions* of officers, a *practical denial of justice*.

Even the well-intentioned scheme of the Right Honorable Lord Cranborne, whilst it recognized the claims of the aggrieved officers to compensation, failed to meet the justice of the case, as it only reckoned the loss of sums paid, and did not take into consideration the real loss; namely, the value of an officer's commission, or step on retirement, which these payments were made to secure, and to which he looked as confidently as to his retiring pension. It is submitted that



to give only part of the sums paid, which sums had often been borrowed at a high rate of interest, and had lain dormant so many years (sometimes for as long a period as thirty years), is as if an insurance office were to give back *subscriptions only, instead of the sum insured for, when that sum became due.*

Still, had Lord Cranborne's declaration been adhered to, in allowing interest "neither *for* nor against the officer"—had actual payments been refunded without deductions—they would have been thankfully received by officers, as a settlement of their claims. Instead of this, it will be shown that every advantage has been taken *against* the officer, thus:—

1stly. In para. 11 of Lord Cranborne's despatch of the 8th of August, above quoted:—By restricting compensation to those officers who were on the strength of the Indian army on 18th February, 1861.

Every advantage taken against claims of officers.

This told unfairly against officers who retired between 1857 and 1861, a time of general uncertainty and stagnation throughout the service; promotion and purchase being equally at a standstill, for the work of amalgamating the two armies was still far from completion even in 1861, and no one knew clearly what changes were in store for any part of the old service. Few officers were bought out during that period, though some were forced, through ill health, or other circumstances, to retire, without receiving a penny from their juniors.

2ndly. In Clause, of par. 13 of the same despatch:—By ignoring sums paid to officers who had chosen to remain in India on the invalid establishment, instead of returning to England on their pensions, although *it was as allowable and customary to purchase out officers under these, as any other circumstances*: therefore, denial of this claim falls heavily and unjustly on many Indian officers.

3rdly. In para. 16 of the same despatch:—By reducing the amount of actual payments, by the advantages of rank and position which accrued to the officer from his out-

lay, in direct opposition to the assurance of Lord Cranborne, *that interest should neither be allowed for nor against the officer.* Moreover such advantages could scarcely be calculated, as in the case of officers (Example 1) on staff employ and consolidated allowances, who often purchased steps at the risk of losing valuable appointments on promotion to a higher grade. Another difficulty *would have arisen* where officers had died immediately, or soon after being purchased out by their juniors, *had it not been swept away regardless of the added loss or injury to the Indian officer by the order issued by the Indian Government to the Committees*, in para. 9 of G.O.G.G., dated June 7, 1867, "That in making such calculation, the Committee will *not take* into account any death of officers subsequent to retirement as affording a claim to credit, &c."

Mockery of  
compensation.

The operation of this and the preceding rule has resulted in no officer receiving his subscriptions intact; whilst in *the majority of cases, either nothing has been refunded, or the awards have been so small as to prove a perfect mockery of compensation*, as exemplified in cases quoted below; neither have the Committee shown why certain portions were allowed or disallowed, while in some cases *it has actually been attempted to be shown that officers are in debt to Government.*

4thly. In para. 17 of Lord Cranborne's despatch:—By reducing the amount of actual payments by the value of the special annuity given, as shown in extract from Royal Commission and G.O.G.G., para. 63, 10 April, 1861, *to induce the retirement of senior officers, for whom it was difficult to find employment*; but this annuity was utterly irrespective of regimental bonus as shown in cases stated below. So sweeping has been this deduction, that *in no single case has one iota been refunded to an officer receiving an extra pension, however heavy his payments, or however small his extra pension.* The stereotyped reply of the Committee was:—"You have no claim, as the amount of your special annuity so far exceeds the payments made by you, if converted into an

annuity," some abstruse and mysterious calculation therefore has been made, *and no explanation has in any case been vouchsafed as to how the conclusion has been arrived at.*

It is also improbable that an officer with a family dependent on him would have sunk his money in an annuity of which his death might deprive them at any moment. The hardship of the above mode of treating the extra pension is shown in Case 7.

No. 1. Expended in purchase £980, entitled to regimental bonus £2,000. Award, Nil. Proofs of injustice.

Reply of the Bonus Committee:—"The Committee are not authorized to take into consideration the amount of staff pay the officer promoted may have been receiving prior to promotion,"—*although that staff pay exceeded the increased pay obtained by promotion, and was lost solely by promotion.*

2. Expended in purchase from £400 to £500, entitled to regimental bonus, £1,500.

Award of Committee, Nil.

2. Expended in purchase £280, entitled to a regimental bonus, £2,500.

Award of Committee, Nil.

3. Expended in purchase £84, entitled to a regimental bonus, £1,200.

Award of Committee, £12 14s. 9d.

3. Expended in purchase £940, entitled to a regimental bonus, £2,000.

Award of Committee, £22.

4. Expended in purchase £754, entitled to a regimental bonus, £1,500; by Committee accounted in *debt* to Government, £564.

With regard to extra pensions.

5. A Lt.Col. No. 2 on roll for full Colonelcy, receives £550 extra pension, *was not entitled* to a regimental bonus.

5. A Lt.Col. No. 16 on roll for full Colonelcy, receives £450 extra pension, *was not entitled* to a regimental bonus.

6. A Major No. 74 on general gradation list for Lt.Colonelcy, receives £150 extra pension, entitled to a regimental bonus of more than £3,000 on retirement, and had expended in purchase £1,300. Award of Committee, Nil.

6. A Captain No. 2 on regimental roll, receives £50 extra pension, was entitled to a regimental bonus of £1,500 on retirement, and had expended in purchase £830. Award of Committee, Nil.

7. An officer entitled to a regimental bonus of £3,000, received an extra pension of £160, died two years and nine months after retiring, leaving a wife and family, to whom all benefit of the extra pension was entirely lost.

8. An officer entitled to a regimental bonus of £1,800, was denied all compensation from want of proof of his actual payments, which he could not supply, having lost all documents through his house being burnt down during the mutiny, and from being shipwrecked in his homeward voyage.

Appeal to Par-  
liament.

No redress is to be obtained from the authorities at the India Office, both the present and last Secretary of State for India having been applied to in vain, *although two instances are known of officers having received a considerable addition to the award of the Bonus Committee in India from this source.* The aggrieved officers have therefore no option but to appeal again to their country through Parliament. All they ask is a *full, impartial, and unbiassed* inquiry into their several cases. If this be granted, they feel they may safely trust the fortunes of themselves and those who are dependent on them in the hands of those who are elected by the voice of their country to see justice done to Her Majesty's meanest subject.

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